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No. 01-1087

IN THE

Supreme Court of the United States

KUSTOM SIGNALS, INC.,

Petitioner,

v.

APPLIED CONCEPTS, INC., and JOHN L. AKER,

Respondents.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

REPLY BRIEF

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STATEMENT PURSUANT TO RULE 29.6

Petitioner, Kustom Signals, Inc. states that Public Safety Equipment, Inc., Britax International, Inc., and Britax International General Partnership are its corporate parents. Britax International General Partnership has two partners, Britax International S.A., which has a 99.9% interest in the partnership, and Britax Luxembourg SaRL, which has a 0.1% interest. No publicly held company owns 10% or more of the stock of Kustom Signals, Inc.

TABLE OF CONTENTS

	Page
Statement Pursuant to Rule 29.6	i
Table of Contents	ii
Table of Cited Authorities	iii
Introduction	1
Respondents misapprehend the prosecution history.	2
Both signals are always searched.	3
"Or" does not preclude "both."	5
"Or" does not distinguish over the prior art.	5
Infringement under the all-elements rule is not merely an alternative.	6
Double Prosecution History Estoppel	7
Conclusion	8

TABLE OF CITED AUTHORITIES

Page

Cases:

Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., Ltd., 234 F.3d 558 (Fed. Cir. 2000) 1, 4, 6, 7

Graver Tank & Mfg. Co. v. Linde Air Prods. Co., 339 U.S. 605 (1950) 1

Warner-Jenkinson Co. v. Hilton Davis Chemical Co., 520 U.S. 17 (1997) 1, 6

INTRODUCTION

The subject matter of petitioner's action is a pioneer invention. It is the first DSP traffic radar capable of providing a law enforcement officer with the ability to obtain the speed of the fastest vehicle in the range of the radar rather than just the speed of the vehicle returning the strongest signal.

Using an erroneous reading of the prosecution history, the Federal Circuit drastically narrowed the literal scope of the claims. Then, because of this same narrowing, the court applied a complete bar to any equivalents of these claims. The complete bar applied by the Federal Circuit in this case, and created by the Federal Circuit in *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., Ltd.*[1] swallowed whole any remaining equivalents and therefore any infringement analysis under the doctrine of equivalents. Because prosecution history estoppel under *Festo*'s complete bar (by the very nature of its completeness) must necessarily be *coextensive* with the narrowing effects of prosecution history applied during claim construction, no room is left for the doctrine of equivalents. The complete bar creates a double prosecution history estoppel that flies in the face of the Court's holdings in *Warner-Jenkinson Co. v. Hilton Davis Chemical Co.*[2] and *Graver Tank & Mfg. Co. v. Linde Air Prods. Co.*,[3] and over a century of infringement analysis under the doctrine of equivalents.

The prior art at the time the petitioner's device was invented included conventional analog traffic radar units that displayed the speed represented by the strongest radar return

1. 234 F.3d 558 (Fed. Cir. 2000).

2. 520 U.S. 17 (1997).

3. 339 U.S. 605 (1950).

signal, units that returned digitally processed strongest signal data, and an analog unit, the Muni Quip MDR-1, that apparently provided selectable strongest or fastest data. By digitally processing the radar return signal, the present invention provided, for the first time, reliable fastest signal data that could be readily accessed by the operator if it was determined that a distant vehicle (which would not return the strongest signal) was exceeding the legal speed. It is irrelevant whether both signals are displayed at the same time or not. That is a design decision that has nothing to do with the novelty of the present invention. What is important is that for the first time both sets of digital data are available so that an operator can select which operational mode to rely on for determining speed infractions by motorists.

RESPONDENTS MISAPPREHEND THE PROSECUTION HISTORY.

Respondents misconstrue the record. On pages 5 and 6 of their brief, respondents assert that petitioner has mischaracterized the new claims that became claims 1, 16 and 20 of the issued '246 patent. Certainly, the patent application was "amended" in the broad sense of the term when the originally submitted claims were cancelled in favor of the new claims that appear in the issued patent. The point is simply that the new claims were not narrowed in scope to overcome the examiner's rejection based on a prior teaching (Anders *et al.* reference) of an average magnitude threshold. The limitation in the originally submitted claims directed to validating those frequency components above the threshold was eliminated. New claims were submitted not containing that limitation and, instead, were changed to emphasize a different combination of elements. For example, a comparison of original independent claim 16 with new claim 16 (App. 31a-32a) shows that the new claim included

only two of the four original clauses of the old claim and added three new clauses. A different claim directed to a different combination was thus submitted, which petitioner believes is properly referred to as a new claim. Petition at p.5.

Respondents also battle with words rather than substance by alleging that petitioner has stated that the validation process is no longer included in the claims, by failing to read the entirety of petitioner's analysis on page 5 of the Petition. Clearly, the new claims no longer *recite* limitations directed to a validation process; however, signal validation occurs during processing and both the strongest and the fastest signals are always processed. This is wholly consistent with petitioner's position in the lower courts.

BOTH SIGNALS ARE ALWAYS SEARCHED.

Chief Judge Mayer in the dissent found that "[r]egardless of whether the operator selects the fastest or strongest mode, both the strongest and the fastest signals are always 'searched' (as the district court construed the term)." App.15a-16a. Judge Mayer then continues to briefly and succinctly describe the action of the software shown in Fig. 25 of the patent (the Figure repeatedly referred to by respondents in their brief), stating that "[t]he signals are saved in the indexed array, and duplicated, with one set sorted by decreasing magnitude (finding the 'strongest' signal) and the other sorted by decreasing frequency (finding the 'fastest' signal)." App. 15a-16a. These are blocks 88, 89 and 90 of Fig. 25 where the system sorts the signals in block 89 by decreasing magnitude and sorts the signals in block 90 by decreasing index (frequency). Lodging, L-26. These sorts rank the signals by magnitude and by frequency. At this point the system has identified *both* the strongest and fastest

components. Up to this point all processing to create these arrays is the same because the system has not checked whether the operator has selected the strongest or fastest mode. Further down in the flow chart at decision block 105 the operator has made a selection. If the fastest mode is selected, the processing follows the arrow to the right and the flow goes to 108 ("fastest target") which continues at Fig. 27. Lodging, L-28. At block 109 the fastest signal is read from the top of the ranking and if other tests for signal validity are passed, the speed is ultimately displayed to the operator. If instead the operator wishes for the radar to display the speed of the strongest target, processing continues to the left from block 105 in Fig. 25 and continues at Fig. 28 (Lodging, L-29) where the strongest of the ranked signals is read at block 120. Again, if other tests are then passed, the signal is deemed valid and is displayed as a target speed.

Clearly, Chief Judge Mayer understood the basics of the searching and selection process used by the radar disclosed in the '246 patent. To avoid infringement by attempting to cast a restrictive interpretation on the term "multi-mode," respondents urge that the search is "operator-initiated" and encourage the Court to adopt the mistaken belief of the majority of the panel that the accused device searches for both fastest and strongest targets while the patented device searches for either the fastest or strongest target as selected by the operator, but not both.[4] This is the error that the *Festo* decision has spawned, as the complete bar precludes an

4. The majority opinion erroneously states: "The Applied Concepts radar device here at issue operates similarly, except that both a strongest and a fastest analysis of the return signal are always performed, and are not subject to operator selection." App. 4a. As shown above, the claimed invention also always performs both a strongest and fastest analysis of the return signal.

analysis that, in the present case, would lead to a proper understanding of the operation of the device, an effort undertaken only by Judge Mayer.

"OR" DOES NOT PRECLUDE "BOTH."

Respondents repeatedly criticize Chief Judge Mayer and characterize the dissent as based on reliance upon a special "Boolean" definition of the word "or". Respondent's brief, pp.11, 16 and 20. They are incorrect. The dissent opens with an analogy that illustrates that the plain meaning of "or" can be "either or both." App. 15a. The logic is sound irrespective of whether the Boolean definition is appropriate. Respondents counter on page 20 of their brief with the analogy of an automobile approaching a fork in the road. Their analogy merely illustrates Judge Mayer's point that the meaning of "or" can be "either or both." The proper meaning is determined by the context. A car approaching a fork in the road can only go one direction or the other — never both. The hail and snow analogy used by Judge Mayer, however, is more appropriate in this case where the alternatives are not mutually exclusive. The invention lies in the ability to provide law enforcement personnel with the ability to display the speed of the fastest target vehicle. Whether that display is in addition to a display of the strongest or an alternative thereto, the operator receives the information as to the fastest target in either case. Yes, it snowed today, and maybe we had some hail too.

"OR" DOES NOT DISTINGUISH OVER THE PRIOR ART.

Chief Judge Mayer recognized that "the 'or' limitation did not distinguish the invention over the Muni Quip MDR-1 radar device because that device also had the capacity

to track the strongest or fastest signal." App. 16a. Unfortunately (and an error of law as urged by petitioner), the majority never had the opportunity to consider the extent of any prosecution history estoppel because it applied the complete bar of *Festo*, thereby blocking any inquiry as to whether the patentee should justifiably be limited to a "but not both" interpretation of the term.

INFRINGEMENT UNDER THE ALL-ELEMENTS RULE IS NOT MERELY AN ALTERNATIVE.

Respondent has tried to avoid infringement under the all-elements rule by creating in essence a further limitation, an *exclusive* "or." The district court decision was based on this construction but the Federal Circuit decided that "or" was not a limitation.[5] Under the all-elements rule, if "or" is not an element then a court should not require reading it on the accused device when analyzing infringement. If all elements, therefore, do read on the accused device then literal infringement should be the resulting determination. The Federal Circuit held that "or" was not an element and that all the elements of the claims at issue were present in the accused device.[6] However, instead of stopping there the court moved on to the doctrine of equivalents, quickly disposing of that issue by holding that the prosecution history barred any equivalents to the claim elements.

The Federal Circuit did not affirm summary judgment of noninfringement based on the all-elements rule of *Warner-Jenkinson* as the respondent asserts but on prosecution history

5. "The word 'or' is not itself an 'element'. . . ." App.13a.

6. "However, all of the steps or elements of method claim 1 or apparatus claims 16 and 20 are undisputedly present in the accused device." App.13a.

estoppel.[7] Because of prosecution history estoppel, petitioner was barred from advancing its case under the doctrine of equivalents by a complete bar on any equivalents to the limitations of the claims.

DOUBLE PROSECUTION HISTORY ESTOPPEL

Respondents have urged the Court not to entertain this issue of first impression.[8] Yet, it is critical that the Court do so for in this case the Court has the opportunity to address a particularly dangerous development in patent law that flows directly from the Federal Circuit's holding in *Festo*. Under the new law formulated by the Federal Circuit, application of prosecution history estoppel during claim construction to narrow the literal meaning of a claim also works to completely bar all equivalents and therefore bar enforcement of patent rights under the doctrine of equivalents.

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7. See App. 14a. Note that the district court did not find prosecution history estoppel but rather rejected it. App. 62a, n.9.

8. Brief in Opposition, p. 11, citing petitioner's Question 4.

CONCLUSION

For the foregoing reasons, the petition for a writ of *certiorari* should be granted.

Respectfully submitted,

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